



HAGEN
GROUP®

ANNUAL REPORT

for the fiscal year ending on December 31st,

2023

Fighting Against Forced Labour and Child Labour in Supply Chains Act



Prepared by:

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Compliance Specialist
Rolf C. Hagen Inc.

Structure, activities and supply chains

This report has been prepared pursuant to Section 11 of the ***Fighting Against Forced Labour and Child Labour in Supply Chains Act*** (the “**Act**”) and outlines the actions we have taken during the year ending December 31st, 2023, to prevent and reduce the risk of forced labour or child labour occurring in our business.

The use of words “we”, “us”, “our” and “the company” refers to Rolf C. Hagen Inc. (“Hagen”).

Hagen is a privately owned company, founded in 1955 and incorporated under the Canada Business Corporation Act with its headquarters in Montreal, Quebec, Canada.

Hagen is a global organization with subsidiaries in Canada, United States, Germany, United Kingdom, Malaysia, and Argentina.

We are one of the leading manufacturers and distributors of pet food and specialty products.

Our success is based on the following core elements that serve our purpose of improving the quality of pet care around the world; innovation, design and quality.

As part of the quality element, Hagen is committed to preventing the occurrence of forced labour and child labour in our operations and supply chains. We do not tolerate child labour, forced labour or any other form of slavery and we expect that our suppliers share our commitment to ethical and responsible business practices and support our values.

Our global suppliers manufacture our range of products that can be seen at www.hagen.com, which caters to the following domestic pet categories:

- Dog
- Cat
- Aquatic
- Bird
- Small animal
- Reptile

We also order packaging for certain products. We have long-standing relationships with most suppliers which are governed by negotiated contracts and/or purchase orders.



(34) Canada and USA
(21) across Europe
(70) in China
(19) rest of Asia
(2) New Zealand
(1) Australia
(1) Fiji
(2) South Africa

(No. of suppliers with over \$1,000 CAD purchases for the year ending December 31st, 2023)

In Canada, our top 20 suppliers account for 88.9% of our total sales.

Globally, our top 20 suppliers account for 88.1% of our total sales.

Further detail on the product categories that make up the sourced goods:

- Dog – food and treats, walking accessories, well-being and feeding accessories, toys
- Cat – food and treats, well-being and feeding accessories, toys
- Aquatic – food, accessories, habitat, and related maintenance products
- Bird – food, supplements and treats, well-being and feeding accessories, toys
- Small animal – food, supplements and treats, well-being and feeding accessories, toys
- Reptile – food, supplements and treats, well-being and feeding accessories, habitat, and related maintenance products
- General – packaging materials

RESPONSIBLE FOR SUPPLY CHAIN: Global Sourcing team

Policies and due diligence processes in relation to forced labour and child labour

Policies

We build relationships on mutual trust, communication of expectations, alignment of goals, and cooperation, and are committed to working with our suppliers. Hagen's responsible sourcing practices are directed by the policies in our vendor handbook.

Our vendor handbook forms the basis of our relationship with suppliers and is the blueprint of our expectations and requirements. The vendor handbook provides a framework for existing and potential suppliers to understand how to do business with Hagen. ***Forced labour and child labour practices are specifically addressed in section 2 of our vendor handbook.***

The policies and processes in the vendor handbook apply to all Hagen suppliers and are applicable to all Hagen facilities unless otherwise noted.

We believe that close collaboration and engagement with our suppliers also fosters constructive mitigation to forced labour and child labour risks across our supply chain.

Due Diligence

Due diligence is done through audits and monitoring. Hagen may undertake affirmative measures, such as announced and unannounced on-site audits of production factories, to monitor compliance with our social and environmental responsibility standards in our vendor handbook. Suppliers must maintain all necessary documentation on-site to demonstrate compliance with our social and environmental standards, and must allow representatives from Hagen full access to production facilities, workers' records, production records and workers themselves, for confidential interviews in connection with monitoring visits.

Hagen accepts audits from internationally recognized third-party audit programs.

While Hagen does not limit a supplier's ability to choose an appropriate audit program, there may be situations where we recommend or requires a particular audit program.

Compliance

All suppliers must be able to demonstrate compliance with our code of supplier conduct.

To help monitor the extended vendor network, suppliers must not use sub-vendors to manufacture products or product components for Hagen without disclosing their intention in doing so, and only after the sub-vendor has adequately demonstrated compliance with requirements in our vendor handbook. The supplier and sub-vendor are mutually responsible to implement and maintain a quality management system that respects and complies with the requirements stipulated in our vendor handbook.

RESPONSIBLE FOR OVERSIGHT OF POLICIES AND DUE DILIGENCE PROCESSES:

Global Quality Assurance department

Risks and Remediation

The steps above, in the *Policies* and *Due Diligence* section, are Hagen's way to assess and manage the risk of forced labour or child labour.

To the best of our knowledge, our supply chain does not use child labour, and no instances of forced or child labour have been identified through audits. We have therefore not taken any remediation measures.

To the best of our knowledge, we are not aware of any loss of income to vulnerable families, therefore no further measures have been taken to address this area.

Corrective Actions - Suppliers are expected to take necessary corrective actions to promptly remediate any noncompliance — including timely preparation and presentation of a Corrective Action Preventative Action (CAPA) plan, as stated in the vendor handbook, to Hagen's Global Quality Assurance department.

Consequences - Suppliers are strongly encouraged to exceed Hagen's guidelines and promote continuous improvement throughout their operations. If a supplier is found to be in violation of our code of supplier conduct, we will take measures to address the violation, including the risk of termination of their business relationship with Hagen.

Training and Assessing effectiveness

The vendor handbook is periodically reviewed to ensure success in achieving its aims and to recommend any improvements considered necessary with the objective of providing continuous improvement in quality.

We aim to improve our ethical sourcing strategies by reviewing our policies and processes with the guidance from recognized international organizations.

No additional actions have been taken to assess our effectiveness in preventing and reducing risks of forced labour and child labour in Hagen's activities and supply chains.

Attestation

The Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Rolf C. Hagen Inc.

In my capacity as a Director of Rolf C. Hagen Inc., and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Rolf C. Hagen Inc.,

B. Rogers

B. Rogers
Controller

DATE: May 31, 2024